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7 VISTO CORPORATION

8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 SAN FRANCISCO DIVISION

11  
12 RESEARCH IN MOTION LIMITED,

13 Plaintiff and Counter-  
14 defendant,

15 vs.

16 VISTO CORPORATION,

17 Defendant and  
18 Counterclaimant.  
19

Case No.: C-07-3177 MMC

**[PROPOSED] ORDER GRANTING  
VISTO'S MOTION TO STAY  
PROCEEDINGS RELATING TO  
RESEARCH IN MOTION LIMITED'S  
PATENT PENDING REEXAMINATION**

Before the Court is Defendant and Counterclaimant Visto Corporation's ("Visto") motion, filed May 21, 2008, to stay proceedings related to Plaintiff and Counter-defendant Research In Motion Limited's ("RIM") patent, U.S. Patent No. 5,889,839, pending reexamination of said patent by the United States Patent and Trademark Office. Having considered the papers submitted and the arguments of counsel, the Court rules as follows.

When determining whether to grant a stay pending reexamination of a patent, courts consider three factors:

- (1) whether discovery is complete and whether a trial date has been set;
- (2) whether a stay will simplify the issues in question and trial of the case; and
- (3) whether a stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party.

*See Nanometrics, Inc. v. Nova Measuring Instruments, Ltd.*, 2007 WL 627920 at \*2 (N.D. Cal. 2007).

In the instant case, the Court finds each of the factors weighs in favor of granting a stay. In particular, with respect to the first factor, discovery is in its early stages, and, although trial has been set, it is set for nearly a year in the future. Further, no claim construction hearing has been held nor any claim construction ruling issued. Nor have any dispositive motions been filed.

With respect to the second factor, the Court finds it probable, based on the statistical evidence provided, that upon reexamination the United States Patent and Trademark Office will take some action that results in canceling or altering one or more of the claims at issue and, accordingly, a stay would likely narrow and clarify the issues for trial.

Lastly, with respect to the third factor, the Court finds, that a stay would not present a clear tactical disadvantage to RIM. The delay in having patent infringement claims adjudicated in court, does not, by itself, constitute undue prejudice. *See, e.g., id.* at \*3 ("Mere delay, without more . . . , does not demonstrate undue prejudice."); *see also Photoflex Products, Inc. v. Circa 3 LLC*, 2006 WL 1440363 at \*2 (N.D. Cal. 2006) (holding "delay inherent to the reexamination process does not constitute, by itself, undue prejudice").

1 For the reasons set forth above, Visto's motion to stay is hereby GRANTED.  
2 IT IS SO ORDERED.

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4 Dated:

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5 HON. MAXINE M. CHESNEY  
6 United States District Judge

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